

QUENTIN MACHIDA DIRECT TESTIMONY

PRESENTATION HEARING

KA'ULU (KAL 21-005)

Q Please state your name, place of employment, and position.

A Quentin Machida, President and CEO, Gentry Homes, Ltd.

Q What is Gentry's interest in the development permit application for Ka'ulu, which is currently before the Hawaii Community Development Authority ("HCDA" or the "Authority")?

A Gentry Kalaeloa, LLC ("Gentry Kalaeloa") is a wholly-owned subsidiary of Gentry Homes, Ltd. Gentry Kalaeloa is the applicant for Ka'ulu, a planned residential community on three parcels of land totaling 29.8 acres within the Kalaeloa Community Development District ("KCDD"). Ka'ulu will be adjacent to the Department of Veterans Affairs Multi-Specialty Outpatient Clinic on land currently owned by Hunt Communities Hawai'i, LLC ("Hunt"). A land purchase agreement between Hunt and Gentry for the Ka'ulu parcels is expected to close by the end of 2021.

Q Please briefly describe Gentry's history and background.

A Gentry has been building homes and commercial / industrial developments in Hawai'i for over 53 years. Since developing its first community in windward O'ahu in 1968, Gentry has developed over 14,000 homes for local families in communities throughout the state.

Gentry strives to provide homes and communities with innovative and environmentally-friendly designs and technology, quality construction, superior customer service, and competitive pricing. Throughout our history, we have focused on building quality homes for local families who live and work in our communities. Gentry has extensive experience in developing homes throughout west O'ahu (including in 'Ewa and Kapolei), and is excited to be working with the HCDA in developing the first new residential community in Kalaeloa since the establishment of the KCDD.

Q Please summarize the major features of Ka'ulu and how this development is compliant with, and advances the goals, policies and objectives of the Kalaeloa Master Plan.

A HCDA approved its Kalaeloa Master Plan in 2006. The Kalaeloa Master Plan envisioned Kalaeloa as a "Center for Excellence" within the 'Ewa region of O'ahu, where people come together to share knowledge, develop expertise and advance themselves while remaining respectful of the past and place. The plan proposed mixed use, walkable neighborhoods, including a variety of housing, employment opportunities, public facilities and open space, as well as infrastructure improvements to address issues

EXHIBIT 3

relating to utilities, drainage, roadways, regional connectivity, pedestrian access and traffic issues.

Ka'ulu complements and advances the goals, policies and objectives of the Kalaheo Master Plan, which emphasizes that "quality of life is often reflected in housing, education, recreation, accessibility, and open space" among other factors, and that a "community that supports a high quality of life creates social value."

Ka'ulu will provide 390 residential market and reserved housing homes for local families in Kalaheo, including 262 multi-family attached and 128 single-family detached units, all under a condominium property regime. Gentry currently anticipates that the majority of the homes will be affordable to those earning up to 140 percent of the area median income, including approximately 87 reserved housing homes. The reserved housing units are planned to be included in the multi-family buildings, which will be situated throughout the development so that all residents will have convenient access to the extensive recreation and open spaces within the community.

The project's design promotes the walkable, livable community envisioned by the Kalaheo Master Plan, while also being respectful of time and place. The development features approximately 417,446 sf of open space (approximately 32 percent of the entire site and over 60 percent more than required), and approximately 125,042 sf of recreation space (nearly three acres and nearly five times the recreation space required). Recreation spaces will feature active, child-friendly play equipment and adult exercise equipment, as well as gathering spaces and passive parks. Extensive landscaped open spaces will encourage walking and biking, as well as meaningful neighbor-to-neighbor interactions and community engagement.

Ka'ulu's homes are designed to complement the Kalaheo community. The single-family and multi-family homes feature "Plantation" and "Craftsman" architectural styles, both of which have a rich history in Kalaheo and throughout the state. The homes will have varied and interesting architectural features and styles, and the multi-family homes will consist of both townhomes and flats, with entrances, recesses and lanais that will complement the scale and facades of the multi-family units.

In addition to providing moderately-priced housing for local families in a planned community, Ka'ulu will also provide new economic and development opportunities within the KCDD and other public benefits. The development, which will not involve or require any government funds or resources, will provide over 150 jobs during construction and will generate millions of City and State taxes and fees. The development is also expected to generate an estimated \$700,000 annually in additional property tax revenue, and will also comply with school impact fee requirements.

In the longer term, Ka'ulu is expected to help revitalize Kalaheo and facilitate economic growth and employment opportunities in the area by permitting local families to conveniently live, work, shop, dine and play in a growing and vibrant community.

Finally, the project also furthers the Kalaeloa Master Plan's goal of improving infrastructure within the community. Gentry Kalaeloa will fulfill the public facilities dedication requirement of the KCDD Rules by setting aside nearly 19,000 sf of land for the future widening of Saratoga and Franklin D. Roosevelt Avenues, both of which are identified as future streets in the Kalaeloa Thoroughfare Plan, and both of which will be public roadways. Note that Hunt has agreed to upgrade roads around the Ka'ulu development (Franklin D. Roosevelt Avenue, Copahee Avenue, Realigned Boxer Road (the future Saratoga Avenue extension) and West Perimeter Road (the Kamokila Boulevard extension)) to City standards, and those thoroughfares will be dedicated to the City upon completion.

Q Please describe Gentry's community outreach efforts regarding Ka'ulu.

A Gentry conducted extensive community outreach efforts regarding Ka'ulu. In addition to presenting preliminary plans for Ka'ulu at the HCDA Kaleloa Board meeting on March 3, 2021, Gentry made a presentation to the Kalaeloa Stakeholders Group on August 12, 2021; met with area principals on March 23, 2021; provided informational presentations to the Makakilo / Kapolei / Honokai Hale Neighborhood Board No. 34 on March 24, 2021, September 22, 2021, and October 27, 2021; and made an informational presentation to the Ewa Neighborhood Board No. 23 on October 14, 2021.

Q What is Gentry Kalaeloa's development timetable for Ka'ulu?

A Gentry Kalaeloa currently anticipates that the development permit approval process will be completed in early 2022, with site work construction to begin shortly thereafter, and the first home closings in approximately 2023. Hunt expects to complete its roadway improvements around the development prior to the first certificate of occupancy for Ka'ulu in 2023.

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